36. Co-operation. To a careful observer of the expansion of the co-operative movement in this country, there need be no lack of room for optimism. During the last three years, the number of societies has increased from 177 to 518, there being a nearly corresponding rise in the number of members from 11,725 to 29,764. At the end of Vrischikam 1099, the total number of Primary Societies stood at 553, of which 431 were agricultural and 122 non-agricultural. The aggregate working capital of the societies rose from Rs. 2,59,060 to Rs. 5,61,217 during the last triennium, and 11,338 loans amounting to Rs. 3,42,000 were issued by the primary societies during 1098. The value of the deposits in the Central Bank, which until recently was the only financing institution for primary societies, rose from Rs. 15,847 in 1097 to Rs. 89,041 in 1098, as a result of the increase in the rates of interest offered. Five Urban Banks have been recently started with a view to supplement the financing work of the Central Bank. Five Supervising Unions have also been started at Mavelikara, Tiruvalla, Pattanamtitta, Kottayam and Changanachery, respectively, while a sixth one has been registered at Perumpavur. Government have undertaken to help each of these Unions by contributing three-fourths of the cost of employing a supervisor and they have also subsidised the appointment of an Inspector for the Central Bank. Again, three honorary co-operative organisers have been appointed to promote the propaganda work of the department. Although the movement is only nine years old in the country, it has already set its foot into all the taluks except the hilly and sparsely populated ones of Peermade and Devicolam, and there is no reason why, if the present rate of expansion is maintained, it should not permeate the whole country within a measurable distance of time. We should not, however, close our eyes to certain patent defects of the movement like the extreme slenderness of the resources of the societies, the very circumscribed character of their transactions, and the great unpunctuality that still prevails in the repayment of dues. Nor has sufficient advance been made in forms of co-operation other than pure credit. It is hoped that, as the movement takes root and comes more and more under non-official influence, it would shed its defects off and solve satisfactorily the problem of rural reconstruction.

37. State-aided Bank. As explained in my Address last year, final orders have been issued on the question of the establishment of a State-aided Bank in Travancore. The provisional directorate constituted by the G. O. on the subject has met and forwarded the draft memorandum and articles of association for the approval of the Government. An advance of Rs. 15,000 has been sanctioned by the Government to meet the preliminary expenses of the directorate.

38. Savings Banks. The savings bank business in the 72 Anchal offices of the State which have been doing that work has shown noteworthy progress since the increase in the rate of interest from 4 cash for Rs. 3 to 3 cash for Rs. 2, the total number of Anchal accounts rising from 17,865 in 1096 to 23,890 in 1098 and the closing balance from Rs. 10·3 lakhs to Rs. 12·6 lakhs.

39. State Life Insurance. Government have under consideration the question of revising the State Life Insurance Rules so as to admit of a public branch of the fund being opened. When this is done, care will be taken to see that sufficient facilities are afforded to the poor to resort to insurance as a provision for old age and infirmities.

40. Joint Stock Companies. The abnormal boom in company promotion which the year 1095 witnessed has become a thing of the past, and only 6 companies were registered in 1098 against 52 in 1096 and 16 in 1097, while no more than 2 companies have been registered during the first four months of the current year. It is also reported that, of the 153 companies registered in 1095 and 1096 together, so many as 60 companies have ceased to work. With the development of banking facilities and the growth of commercial education, for both of which the Government have now made the necessary provision, it is expected that there will be a resuscitation of the spirit of combination in commercial concerns which is so vital to the economic prosperity of the country.

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